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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/695,412

10/27/2003

Cheryl Phillips

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20995 7590 07/23/2007  
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EXAMINER

HESS, DANIEL A

ART UNIT

PAPER NUMBER

2876

NOTIFICATION DATE

DELIVERY MODE

07/23/2007

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

jcartee@kmob.com  
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## Office Action Summary

Application No.

10/695,412

Applicant(s)

PHILLIPS ET AL.

Examiner

Daniel A. Hess

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 07 May 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-30 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-30 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
  - ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |   |
|---|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)  | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date <u>7/6/07</u> . | 6) <input type="checkbox"/> Other: _____  |

### DETAILED ACTION

This action is responsive to Applicant's arguments of 5/9/2007, which have been entered into the electronic file of record.

#### *Claim Rejections - 35 USC § 103*

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

This application currently names joint inventors. In considering patentability of the claims under 35 U.S.C. 103(a), the examiner presumes that the subject matter of the various claims was commonly owned at the time any inventions covered therein were made absent any evidence to the contrary. Applicant is advised of the obligation under 37 CFR 1.56 to point out the inventor and invention dates of each claim that was not commonly owned at the time a later

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invention was made in order for the examiner to consider the applicability of 35 U.S.C. 103(c) and potential 35 U.S.C. 102(e), (f) or (g) prior art under 35 U.S.C. 103(a).

Claims 1, 4-6, 9-13, 16-20, 23-26 and 30 are rejected under 35 U.S.C. 103(a) as being unpatentable over Templeton et al. (US 5,679,938), in view Laage et al. (US 6931382)

Re claim 1:

For the sake of clarity, individual limitations of the claim are listed below in italics followed in each case by a discussion of the relevant prior art teachings.

*A system for electronically processing a check transaction involving a merchant, comprising:*

See column 1, lines 5-10 of Templeton et al.:

“The present invention relates generally to check acceptance systems, and relates more particularly to methods and systems for interactive check authorizations using an electronic transaction terminal for acquiring transaction data at the point of sale.”

*a point-of-sale device that receives user input as to a check transaction type and electronically converts a check wherein the point-of-sale device is capable of generating a receipt;*

See column 1, lines 5-10. Regarding receipt printing, Templeton et al. makes clear (column 16, line 52; column 17, lines 15-20) that receipt printing capability is present. As for receiving input about a transaction type, this doesn't have to be a specific query that is presented to the user. It can instead derive from the transaction data itself.

*a check processing service linked to the point-of-sale device to receive information about the converted check from the point-of-sale device and perform an authorization process on the check transaction such that the check processing service notifies the merchant via the point-of-sale device of an authorize or decline decision of the authorization process;*

See figure 1, where a check processing service is clearly shown.

See column 12, lines 40-55 of Templeton et al.:

“The check acceptance service 20 includes the authorization host computer 35, and associated telecommunications equipment (not shown) that allows merchant's terminals to communicate with the authorization host computer.

Those skilled in the art will understand that the associated telecommunications equipment includes call routing systems, front end processors, and other equipment needed to answer incoming calls, and route and format data included in incoming transaction packets.

Generally described, the primary function of the check acceptance service's authorization host computer 35 is to effectively differentiate between good and bad checks.”

As seen in the abstract, approval or decline notification is the result of the check acceptance process: “If the transaction is approved or declined, a response packet including authorization indicia is transmitted to the terminal.”

*wherein the point-of-sale device automatically determines, based on the check transaction type user input, whether to generate a receipt, wherein the point of sale device generates a receipt if the check transaction is authorized and the check transaction involves a*

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*face-to-face type transaction and wherein the point-of-sale device does not generate a receipt if the check transaction involves an accounts receivable check transaction even if the accounts receivable check transaction is authorized by the check processing service.*

This feature is lacking. Templeton et al. lacks a clear showing that the device generates a receipt if the transaction is a face-to-face transaction and does not generate a receipt if the transaction is not a face-to-face transaction.

Laage shows (see full document, and notably the abstract) that receipt printing may be blocked for security in non-face-to face transactions.

In view of Laage et al.'s teaching, it would have been obvious to one of ordinary skill in the art at the time the invention was made to make the receipt printing of Templeton et al. optional based on whether a transaction will be face-to-face for the sake of security of transaction data (a motivation given by Laage) when a user is not present (such as accounts receivable check transactions). Further, it would have been quite obvious to one of ordinary skill that printing a receipt for those types of transactions where nobody would receive the receipt is pointless and wasteful.

Re claim 4: There is (column 5, lines 20-30 of Templeton et al.) a risk scoring algorithm.

Re claim 5: Two levels of service are clearly conveyed in Templeton et al. In one, Templeton et al. makes his own risk assessment (an offline mode). In another, an outside authorizing system makes the necessary determinations. Clearly, if an outside system authorizes a check, it must take responsibility for that authorizing.

Re claim 6: See discussion re claim 1, above.

Re claims 9 and 10: See discussion re claims 4 and 5 above, respectively.

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Re claims 11-13 and 16: See discussion re claim 1, above.

Re claims 17 and 18: See discussion re claims 4 and 5 above, respectively.

Re claim 19: See discussion re claim 1, above.

Re claims 20, 24, 25 and 26: See discussion re claim 1, above.

Re claims 23 and 30: See discussion re claim 4, above.

Claims 2, 3, 7, 8, 14, 15, 21, 22 and 27-29 are rejected under 35 U.S.C. 103(a) as being unpatentable over Templeton/Laage as applied to claim 1 above, in view of Houvener et al. (US 5832464).

Re claim 2:

See column 5, lines 45-50 of Templeton et al.: "The terminal also provides a magnetic ink character recognition (MICR) reader for reading check data from a check."

Lacking in Templeton is a teaching of imaging of the check.

Houvener et al. teaches (column 12, lines 5+): "In addition to having the capability of reading the checking account and routing information off of the check, the disclosed system would include a check scanner capable of reading other printed information off the face of the check, such as name, address, etc (step 204). This may be done either using built-in OCR capabilities or through the use of bit map or other imaging techniques."

In view of Houvener's teachings, it would have been obvious to one of ordinary skill in the art at the time the invention was made to include the old and well-known check optical scanning in the teachings of Templeton/Laage because this can substantially increase the speed

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of check processing by avoiding manual data entry. It also allows a copy of the check to be made for security purposes.

Re claim 3: The Examiner is not aware of any special processing associated with accounts receivable (AR) checks except for the printing or non-printing of receipts. As the Examiner has already argued re claim 1 above, turning receipt printing on or off would have been obvious. As Laage has shown, it is known in prior art POS devices for receipt printing to be optional.

Re claims 7 and 8: See discussion re claims 2 and 3, respectively, above.

Re claims 14 and 15: See discussion re claims 2 and 3, respectively, above.

Re claims 21 and 27: See discussion re claim 2, above.

Re claims 22, 28 and 29: See discussion re claim 3, above.

### ***Response to Arguments***

Applicant's arguments filed 5/9/07 have been fully considered but they are not persuasive.

The Examiner takes the viewpoint that it is obvious to print receipts for face-to-face transactions and not to print receipts otherwise. For non-face-to-face transactions, an operator would simply see receipts piling up (since there is no one to receive them) and observe that this serves no purpose and wastes paper. It would have been quite obvious to one of ordinary skill that



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printing a receipt for those types of transactions where nobody would receive the receipt is pointless and wasteful.

Further, it is noted that commonly, a point of sale device gives a user or operator a choice of whether to receive a receipt. The Instant Invention could be said to simply automate that process by distinguishing in an automated way which transactions are and are not face-to-face and automatically making a receipt choice appropriately.

### ***Conclusion***

**THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel A. Hess whose telephone number is (571) 272-2392. The examiner can normally be reached on 8:00 AM - 5:00 PM M-F.

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If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Michael G. Lee can be reached on (571) 272-2398. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

6/13/07

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a horizontal line and a vertical stroke, resembling a stylized 'H'.

**DANIEL HESS**  
**PRIMARY PATENT EXAMINER**